

City of Cottage Grove

Recreational Marijuana Tax Fact Sheet

A proposed tax on the sale of recreational marijuana and marijuana items will appear on the November 8, 2016 ballot as Measure 20-245. The measure will give registered voters the opportunity to approve or disapprove a proposed city tax on recreational marijuana retailers' sale of marijuana items within the City of Cottage Grove.

Q. What does the marijuana tax measure propose?

A. If adopted by the voters, this measure would impose a 3 percent city tax on sales of marijuana items (including marijuana, marijuana products and marijuana extracts) by recreational marijuana retailers licensed by the Oregon Liquor Control Commission and located within the City of Cottage Grove. This tax would be in addition to the state tax already imposed on marijuana items.

Q. Lane County has placed a measure on the November 8, 2016 ballot as Measure 20-261 to give registered voters of Lane County the opportunity to approve or disapprove a proposed county tax on recreational marijuana retailer's sale of marijuana items in the unincorporated areas of the county. What does the County's measure propose?

A. Even though all Lane County voters, including voters who live in the City of Cottage Grove, will have the opportunity to vote on the County's proposed marijuana tax, if adopted by the voters, the tax would only apply to the sales of marijuana items by recreational marijuana retailers located outside the city limits and within the unincorporated areas of Lane County. The County marijuana tax would not apply to marijuana sales inside Cottage Grove city limits, and the City's proposed tax would not apply to marijuana sales outside of the City limits. In other words, if approved, the City's proposed marijuana tax would only apply within the Cottage Grove city limits and the County's proposed tax would only apply outside the city limits.

Q. How would the City's marijuana tax be collected?

A. If adopted by the voters, the tax would be collected from consumers by recreational marijuana retailers at the point of sale. Recreational marijuana retailers would remit the tax to the City.

Q. Would the City's marijuana tax be imposed on medical marijuana sales?

A. No, if the tax is adopted by voters it will not be imposed on medical marijuana items.

Q. Where would the money collected from the City's marijuana tax go?

A. If adopted by the voters, revenue collected from the City's marijuana tax would be available for the City to use for any city purpose.

Q. How would the City's marijuana tax measure affect the state tax on recreational marijuana?

A. If the City's marijuana tax measure is adopted by voters, the city would impose a 3% city tax on top of the already existing 17% state tax, making the total tax 20% on sales of recreational marijuana items within the City of Cottage Grove.

Q. Would the City's marijuana tax measure legalize recreational marijuana in the City of Cottage Grove?

A. No, recreational marijuana was legalized by Measure 91, passed by voters on November 4, 2014. If adopted, this measure would allow the City of Cottage Grove to tax recreational marijuana retail sales within Cottage Grove city limits.

Q. Are recreational marijuana sales allowed in Cottage Grove, and if so where?

A. Yes, recreational marijuana sales have been allowed in Cottage Grove since October 1, 2015. For more information on the zoning districts where recreational marijuana retail stores are permitted, please contact the Cottage Grove Community Development Department.

Q. Where can I read the full ballot measure and explanatory statement for the City's proposed marijuana tax?

A. The full ballot title and explanatory statement, as well as other information on the measure, can be found on the City of Cottage Grove website at:
<http://www.cottagegrove.org/citymanager/page/city-cottage-grove-ballot-measures>.

This information was reviewed by the Oregon Secretary of State's Office for compliance with ORS 260.432.